

**MINUTES**  
**City of Newport Planning Commission**  
**Work Session**  
**Newport City Hall Council Chambers**  
**February 13, 2023**  
**6:00 p.m.**

**Planning Commissioners Present:** Bill Branigan, Jim Patrick, Bob Berman, Braulio Escobar, Jim Hanselman, and John Updike.

**Planning Commissioners Absent:** Gary East (*excused*).

**PC Citizens Advisory Committee Members Present:** Dustin Capri (*by video*).

**PC Citizens Advisory Committee Members Absent:** Greg Sutton (*excused*).

**City Staff Present:** Community Development Director (CDD), Derrick Tokos; and Executive Assistant, Sherri Marineau.

1. **Call to Order.** Chair Branigan called the Planning Commission work session to order at 6:00 p.m.

2. **New Business.**

A. **Discussion Draft of Newport Housing Production Strategies.** Tokos reviewed the Housing Production Strategies (HPS) project schedule; the process for developing the HPS; the project outreach; the takeaways from the community conversations; the key takeaways from the developer interviews. Tokos then reviewed the summary of potential actions that included supporting development of a regional housing entity focused on low- and middle-income housing development; growing partnerships with Community Land Trusts; implementing the Homebuyer Opportunity Limited Tax Exemption; supporting outreach and education to promote equitable housing access; reducing development code barriers for multifamily development; paying system development charges for workforce housing; and pursuing a growth management agreement with the County.

Berman asked if the 51 percent of the homebuyer opportunity limited tax exemption was the number of authorities participating or if it was 51 percent of the tax collected. Tokos thought it was the percentage of the overall tax. The city and the three other taxing entities would make up the aggregate amounts to get over the 51 percent threshold. Berman asked if height limits would be strictly for multifamily or if it would be a global change in height limits. Tokos thought they could work specifically tailor it to multifamily and have it only apply to a pitched roof. Dustin asked if this could also just be for R-3 and R-4 zones. Tokos didn't think they should limit it to those zones, and should make the allowance for it to apply to the W-2 water related zone as well. Capri asked if this could be for the I-4 zone. Tokos explained they generally didn't allow residential in industrial zones. The legislature had opened up the rules for affordable housing projects such that they were allowed in a number of areas the city wouldn't normally allow the. The city needed to keep this in mind as they went through the discussion. Tokos reminded the focus would be on facilitating multifamily. Capri asked if there was any rubrics on the affordability index. Tokos didn't think they would want to go there. He thought the challenge would be to find the justification for it because they needed to facilitate all forms of housing. The rational would be tricky when saying they only wanted to make an adjustment for a specific median area income group.

Tokos reviewed other actions that included on street parking credit; and making certain terrain related variances a nondiscretionary land use review that wouldn't need to go to the Commission for review. Escobar asked what the system development fees were collected were for. Tokos reported they were used as gap funding for infrastructure projects the city was doing. Many of the infrastructure projects benefited existing residents in Newport, but they were also being sized to accommodate growth in particular areas wherever work was occurring.

Tokos reviewed more actions that included lobbying the Legislature for more resources to support housing development and remove regulatory barriers to housing development; participating in the regional homelessness action plan; establishing a low barrier emergency shelter and warming center in Newport; adjusting the allocation of the Construction Excise Tax to support affordable housing development; and using urban renewal to support housing and infrastructure development. Escobar thought that in an earlier discussion they had talked about enhancing or expanding the urban growth boundary to help Newport address housing issues because they had enough buildable land inventory within the community. Tokos reported the discussion on the urban growth boundary was twofold. One was that they had plenty of land, and the second was that almost everything outside of the urban growth boundary was harder to serve than what was inside of it. There were rare cases where the city could cost effectively serve a property. The discussion for the urban growth boundary was that there really needed to be a development ready aspect to the discussion statewide, which wasn't happening.

Berman asked if a real estate transfer tax would mean it would cost more to buy a house. Tokos thought it would but said another way to look at it was that the costs would already be going up anyway. They could structure this such that the rates changed depending on how the value of the house escalated. Updike reported that San Francisco did this and they were successful in doing so.

Hanselman asked if the 15 percent of the Construction Excise Tax (CET) funds for the Oregon Housing and Community Services all came back to the city. Tokos confirmed they did, and noted that with the partnership they had with Proud Ground; they were able to pull in a half a million dollars from the State that Newport, Lincoln City, and Lincoln County used to create down payment assistance grants. Hanselman hoped that the commercial and residential funds that were collected were going to be spent in Newport so that the people who were paying into the fees were getting the funds back to them. Tokos reminded the amount of the funds were small. They were collecting \$100,000 a year and was 15 percent of that was going to Oregon Housing Community Services. The last time they did down payment assistance grants they were able to offer around \$87,000 to the public. It would take years for that fund to generate enough funds for one or two down payment assistance grants. Tokos thought that the more likely outcome would be that periodically the city could use the fact that they had an excise tax to position themselves in a more favorable way with the Oregon Housing Community Services to be able to leverage additional state funds as part of a larger grant program.

Tokos asked if the Commission had any further comments. Escobar asked if they would be preparing the final report for the Housing Advisory Committee to review at their February 15th meeting. Tokos explained the Committee would be reviewing the action items and strategies. This would then be put in a final form that would be part of the online survey for public comment and part of the open house process. The Committee would then review the feedback they received and meet one final time to see if there were any adjustments needed before they wrapped things up. Berman asked how much of an administrative burden this would be. Tokos thought it depended on how it was implemented. Berman asked if this would fall in the next budget year. Tokos reported he hadn't done budget yet and didn't have an answer on this.

- B. City Council Goals for Fiscal Year 2023/24.** Tokos explained the review of the goals was a chance to give feedback to the Council. Berman asked why they reference the objectives in the current year and if these would be carried forward. Tokos explained these objectives were still priorities and hadn't gone away. Berman asked why the 2023/24 goals were the same objectives as the 2022/23 goals. Tokos explained this was what the City Manager's Office prepared for the Council's consideration. He assumed these were multiyear objectives and expected that many of these goals were going to happen in the coming years.

Tokos reviewed the new Council goals with the Commission that included the Airport solar farm with storage; relocating the fire training facility to the airport to make room for the improvements at the North Side pump station; insuring there was an ongoing site for the Farmer's Market within City Center as part of the strategic planning effort; creating a public information officer position; implementing a free day at the rec center once a month to promote the use of the facilities; and facilitating the development of a homeless shelter with a nonprofit organization to run the shelter.

Berman asked if a homeless shelter were to happen would they need to rework all the rules they put in place on where people could camp. Tokos thought this depended on the type of homeless shelter that was implemented. If it was an emergency shelter with a fully enclosed building he didn't think they needed to revisit it. Other forms of shelters, such as transitional housing, would get into the camping arena. Escobar thought the city should move cautiously with a shelter. He thought moving toward affordable permanent housing would be a better place to spend resources rather than a shelter. Tokos reported that there were no low barrier or emergency shelters in Newport. When temperatures were very cold, there were only a couple of nonprofits in town that helped pay for the homeless to stay in hotels because there was no shelter. This didn't work great and was expensive. Tokos noted that part of the interest was to fill in a gap that Newport didn't have. They needed a warming shelter at a minimum, and a low barrier shelter would be even better. Escobar questioned if there should be a permanent homeless camp, and reiterated that he thought housing might be a better use of resources.

Branigan asked if the Council would go back and review the 2022/23 goals as well as the new goals. Tokos noted this was what the City Manager's Office was trying to emphasize and show how hard it was to gain traction on a large number of goals. They would be adding goals that were bolded on the list and looking at carrying forward the 2022/23 items as needed.

- C. Impact of Newport News-Times Change to Publication Dates.** Tokos reviewed the current publication requirements for land use actions, and how the News Times recently went from a twice a week publication to a once a week publication. He noted that if the local jurisdiction lost their local paper they had to go to the next closest publication. If the News Times made another change and only published twice a month, it would put the city in a pinch on what they were required to do for legal publications. Tokos noted that not all land use publications were required, but they had been set up by the city's code. He reviewed the different types of land use processes and their publication requirements. Tokos reminded that street vacations and annexations were done by statute. He thought this might be a good time to adjust the city's procedures to at least not lock themselves into having to provide notice where they weren't required to by statute, because they couldn't control what the local paper did. Berman asked if it was legal to change the definition to say a newspaper or city website publication. Tokos thought the objective here was to not reduce the notices. He thought they should take a look at making an adjustment so they weren't locked into something that might not be here tomorrow. Updike asked if the state's interpretation of the term "publish" was about a physical paper. Tokos reported that for what he could tell it was. Updike asked if the state was considering changing this to say that something electronic would be sufficient. Tokos thought the state needed to be moving to something different. The statutes requires street vacations and annexations to be published in

consecutive weeks with the first notice having to be at least 14 days out from the hearing. This meant that the city would have to do three consecutive legal publications. Tokos thought the current media option and current publication times needed to be rethought.

Tokos would bring some options to the Commission to look at and work it into the work program. Patrick reminded there were running clocks of 120 days for land use processes to meet deadlines, and it was already difficult to have enough time to make decisions. Berman thought this was a good time to look at this. Branigan thought that one of the options they should consider should be about what to do if a newspaper ceased to exist. Patrick agreed and thought they should add considerations if it changed to only being published twice a month. He also thought this needed to be kicked up to the legislature.

**2. Unfinished Business.**

**A. Planning Commission Work Program Update.** No discussion was heard.

**3. Adjourn.** The meeting adjourned at 6:59 p.m.

Respectfully submitted,



Sherri Marineau,  
Executive Assistant